State AO 120 (Rev. 2/99)

3,728,066

2,228,680

53,616,010

TO:

Commissioner of Trademarks P.O. Box 1451 Alexandria, VA 22313-1451

REPORT ON THE FILING OR DETERMINATION OF AN ACTION REGARDING A PATENT OR TRADEMARK

In Compliance with 35 § 290 and/or 15 U.S.C. § 1116 you are hereby advised that a court action has been Trademarks filed in the U.S. District Court Colorado on the following DOCKET NO. DATE FILED U.S. DISTRICT COURT 10-cv-00958-CMA FOR THE DISTRICT OF COLORADO 4/27/10 PLAINTIFF DEFENDANT QFA Royalties LLC et al Kanya Enterprises Inc et al PATENT OR DATE OF PATENT HOLDER OF PATENT OR TRADEMARK Please see copy of Complaint attached hereto 317,421 3,013,410 716,834 843,107 2,901,076 ,820,292 971,338 615,800 JU15.799 3,615,801 732,381 In the above—entitled case, the following patent(s) have been included: DATE INCLUDED INCLUDED BY ☐ Amendment ☐ Cross Bill Other Pleading ☐ Answer DATE OF PATENT PATENT OR HOLDER OF PATENT OR TRADEMARK OR TRADEMARK 13,0/3,409

In the above—entitled case, the following decision has been rendered or judgement issued:

Final Judgment dated 2/25/11	DECISION/JUDGEMENT				
	Final	Judgment	dated	2/25/11	

CLERK	(BY) DEPUTY CLERK	DATE
GREGORY C. LANGHAM	Locelle Diauli	3)10/11

Copy 1—Upon initiation of action, mail this copy to Commissioner Copy 3—Upon termination of action, mail this copy to Copy 2—Upon filing document adding patent(s), mail this copy to Commissioner Copy 4—Case file copy

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLORADO Judge Christine M. Arguello

Civil Action No. 10-cv-00958-CMA-KLM

QFA ROYALTIES LLC, a Delaware limited liability company; and QIP HOLDER LLC, a Delaware limited liability company

Plaintiffs.

٧.

KANYA ENTERPRISES INC., a New York corporation KIRESH SHAH, an individual; and NEHAL SHAH, an individual

Defendants.

FINAL JUDGMENT

PURSUANT to and in accordance with Fed. R. Civ. P. 58(a) and Fed. R. Civ. P. 55(b); and the Order Imposing Permanent Injunction, entered by the Honorable Christine M. Arguello on February 24, 2011, incorporate herein by reference, it is ORDERED that the Plaintiffs' Renewed Motion for Default Judgment [Docket No. 20] is GRANTED. It is

FURTHER ORDERED that judgment is entered in favor of Plaintiffs QFA Royalties, LLC and QIP Holder, LLC and against Kanya Enterprises, Inc., Kiresh Shah, and Nehal Shah. It is

FURTHER ORDERED that:

Defendants, their officers, agents, servants, employees, and attorneys,
 and those people in active concert or participation with them, are

permanently enjoined from:

- Using the Quiznos Marks or any trademark, service mark, logo or trade name that is confusingly similar to the Quiznos Marks;
- Otherwise infringing the Quiznos Marks or using any similar
 designation, alone or in combination with any other components;
- Passing off any of Kanya's products or services as those of
 Quiznos or its authorized franchisees;
- d. Causing a likelihood of confusion or misunderstanding as to the source or sponsorship of Kanya's businesses, products or services;
- e. Causing a likelihood of confusion or misunderstanding as to

 Kanya's affiliation, connection or association with Quiznos and its

 franchisees or any of Quiznos products or services; and
- f. Unfairly competing with Quiznos or its franchisees in any manner;
- 2. Defendants shall immediately perform the contractual post-termination obligations under the franchise agreements, including, without limitation, their obligations:
 - a. To take any and all necessary steps to cancel and/or transfer to Quiznos any telephone numbers associated with Quiznos or the Quiznos Marks used in connection with the operation of Kanya former Quiznos Restaurant; and
 - b. To return to Quiznos all operating manuals and other materials

provided to Kanya in connection with the operation of its former

Quiznos Restaurants, and all materials bearing any of the Quiznos

Marks;

- 3. Defendants shall not, for a period of two (2) years, have any direct or indirect interest in any submarine, hoagie and/or deli-style sandwich restaurant located or operating within a five (5) mile radius of their former Quiznos Restaurants or within a five (5) mile radius of any other Quiznos Restaurant;
- 4. Defendants shall promptly eliminate their advertising under the Quiznos Marks or any other confusingly similar designations from all media including, but not limited to, newspapers, flyers, coupons, promotions, signs, telephone books, telephone directory assistance listings and mass mailings, all at Defendants' cost.
- Defendants, jointly and severally, shall pay to Quiznos past-due payments, attorney's fees, court costs and prejudgment interest in the total amount of \$8,120.45, plus post-judgment interest at the rate of legal rate of 0.29 % per annum from the date of entry of judgment.

DATED at Denver, Colorado, this <u>25th</u> day of February, 2011.

FOR THE COURT:

Gregory C. Langham, Clerk

By: s/ Edward P. Butler

Edward Butler Deputy Clerk

- 7. This Court has supplemental jurisdiction over Plaintiffs' claims for breach of contract, unfair competition and violation of the Colorado Trade Secrets Act arising under the laws of the State of Colorado pursuant to 28 U.S.C. § 1367(a) because these claims are so related to Plaintiffs' claims under federal law that they form part of the same case or controversy and derive from a common nucleus of operative fact.
- 8. Personal jurisdiction and venue are proper in this Court under 28 U.S.C. § 1391 and § 1400(a) and Section 21.1 of the Franchise Agreements. A substantial part of the events giving rise to this action occurred in the District of Colorado, and Section 21.1 of the Franchise Agreements explicitly authorizes jurisdiction and venue in the District of Colorado.

THE QUIZNOS REGISTERED TRADE AND SERVICE MARKS

- 9. Plaintiffs and their predecessors and affiliates have developed, and Plaintiffs are the sole and exclusive owners of, a unique and uniform system (the "System") relating to the establishment and operation of Quiznos Sub® restaurants and featuring, among other things, oven-baked submarine sandwiches, salads, and other food products and beverages.
- 10. In connection with exercising QFA's rights as the franchisor under its franchise agreements, QFA has licensed from QIP the right to use and sub-license certain trademarks, service marks, trade names, logos, emblems and indicia of origin (the "Marks"), including but not limited to the name and mark:
 - (a) Quizno's® Registration Nos. 1,317,421; 1,716,834.
 - (b) Quiznos® Registration Nos. 2,820,292; 3,615,799; 3,615,801; 3,013,409; 3,279,228; 2,728,066.
 - (c) Quizno's Sub® Registration No. 2,228,680.
 - (d) Quiznos Sub® Registration Nos. 3,616,010; 3,013,410; 2,843,107.

- (e) Q® Registration Nos. 3,615,802; 3,615,804; 2,722,381; 2,945,298; 3,279,229; 2,714,443.
 - (f) MMMM...Toasty® Registration Nos. 2,921,118; 2,892,389.
 - (g) Toasty® Registration Nos. 2,901,076; 2,971,338.

(True and correct copies of the certificates of registration for the foregoing trademarks and service marks are attached hereto as Exhibit A.)

- 11. The Marks serve the purpose of identifying the source, origin, and sponsorship of Ouiznos Sub® restaurants and the products and services they offer.
- 12. The Marks are registered on the Principal Register of the United States Patent Office. The registrations of the Marks continue in full force and effect, and all those eligible are incontestable under Section 15 of the Lanham Act, 15 U.S.C. § 1065.
- 13. QIP has given notice to the public of the registration of the Marks as provided in 15 U.S.C. § 1111 and complies with all legal requirements to ensure QIP remains the exclusive user and licensor of the Marks.
- 14. Plaintiffs and their predecessors and affiliates have continuously used the Marks in interstate commerce in connection with (i) the promotion, sale, and franchising of Quiznos Sub® restaurants, and (ii) the promotion and sale of the products and services they offer throughout the United States, including New York, since the date of their registration.
- 15. Plaintiffs and certain affiliates have the exclusive right to use and license the Marks and derivations thereof, as well as the distinctive System with which franchisees offer Quiznos Sub® products to the public under the Marks. Pursuant to franchise agreements entered into by and between QFA and its authorized and approved franchisees, QFA grants franchises to